



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C-2

For the meeting of: October 18, 2011

Date: September 19, 2011
 To: Board of Supervisors
 From: Phillip R. Crandall, Director *Balao Lotter*
 Department of Health and Human Services-Mental Health Branch
 Subject: First Amendment to Lease for 2933 H Street Modular Building

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve and authorize the Chair to execute the First Amendment to Lease with Performance Modular, Inc. for the modular building located at 2933 H Street, Eureka.
2. Direct the Clerk of the Board to return one executed original of the First Amendment to Lease to the Public Works-Real Property Division for transmittal to the Lessor

SOURCE OF FUNDING:

Mental Health Fund

DISCUSSION:

The County has leased the modular building located at 2933 H Street, Eureka since 1993. Originally the lease was with Johnson's Mobile Solutions, who sold the modular building to Performance Modular, Inc. The new lease (Attachment 1) with Performance Modular, Inc. was entered into on November 18, 2008 (item B-1) and will expire on November 30, 2011.

Prepared by Clarke Guzzi, Administrative Services Officer

CAO Approval *Cheryl Dillingham*

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|---------|------------|----------------|-----------|--------------|-------|
| REVIEW: | <i>MSM</i> | County Counsel | Personnel | Risk Manager | Other |
|---------|------------|----------------|-----------|--------------|-------|

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other

PREVIOUS ACTION/REFERRAL:
 Board Order No. B-1
 Meeting of: 11/18/2008

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor *Bass* Seconded by Supervisor *Sundberg*
 Ayes *Bass Sundberg Lovebee Clendinning*
 Nays
 Abstain
 Absent

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.
 Dated: October 18, 2011
 By: *Clarke Guzzi*
 Kathy Hayes, Clerk of the Board

The Department of Health and Human Services (DHHS)-Mental Health Branch wants to amend this lease for an additional three year term through November 30, 2014 under the same terms and conditions. The First Amendment to Lease (Attachment 2) also provides for the option to extend the lease for two (2) one (1) year terms upon 60 days written notice of the County's intent to extend the lease. The County is responsible for all utilities and janitorial service. Performance Modular, Inc. will be responsible for all costs of tear down and return.

This modular building currently houses the Hope Center, a successful, peer-run center offering wellness and recovery activities for people with a mental health diagnosis. The DHHS-Mental Health Branch recommends that the Board approve and authorize the Chair to execute the First Amendment to Lease and direct the Clerk of the Board to return one executed original to the Public Works-Real Property Division for transmittal to the Lessor.

FINANCIAL IMPACT:

The monthly rent will continue to be \$2,407.26 per month, plus a monthly sales tax, currently \$192.58 for total cost of approximately \$1.20 per square foot. Lease expenditures for this modular building have been included in the Fiscal Year 2011-12 budget in DHHS-Mental Health Branch, Mental Health Services Act budget unit 1170-477. There is no impact on the County General Fund.

OTHER AGENCY INVOLVEMENT:

Public Works-Real Property Division

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the First Amendment to Lease. The DHHS-Mental Health Branch does not recommend this alternative because the Hope Center would need to find a new location that is closely situated to other DHHS-Mental Health Branch services at 720 Wood Street.

ATTACHMENTS:

- Attachment 1: Lease Agreement with Performance Modular, Inc for 2933 H Street modular building.
- Attachment 2: First Amendment to Lease with Performance Modular, Inc. for 2933 H Street modular building.

ORIGINAL

FIRST AMENDMENT TO LEASE

This Amendment to the Lease entered into on November 18, 2008, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called LESSEE and PERFORMANCE MODULAR, INC., hereinafter called LESSOR, is entered into this 18th day of October, 2011.

WHEREAS, the parties entered into a Lease for the use of the premises at 2933 H Street, Modular Serial Numbers MSWP367055; MSWP367056; MSWP367057, for the purpose of office space; and

WHEREAS, LESSEE and LESSOR desire to extend the initial term of the Lease and to amend the Lease as specified.

NOW, THEREFORE, it is mutually agreed as follows:

1. TERM of the Lease is amended to read as follows:

The term of this Lease shall be extended beginning December 1, 2011 and terminating November 30, 2014.

LESSEE has the option to extend this Lease, upon the same terms and conditions, for two (2) one (1) year terms. Each option may be exercised by LESSEE giving LESSOR notice of its intent to extend the Lease. The notice shall be in writing and shall be given to LESSOR sixty (60) days prior to the end of the initial term or any one (1) year term extension.

2. In all other respects the Lease between the parties entered into on November 18, 2008 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Lease dated November 18, 2008, on the date indicated above.

(SEAL)
ATTEST:
CLERK OF THE BOARD

COUNTY OF HUMBOLDT

By *[Signature]*

By *Viviane Biss* - Vice Chair
Chair, Board of Supervisors
County of Humboldt
State of California

LESSOR:
Performance Modular, Inc.

By *[Signature]*
Title PRESIDENT

By *[Signature]*
Title Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/14/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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|--|---|---------------|
| PRODUCER Brown & Brown Insurance of AZ, Inc 2800 North Central Avenue, Suite 1600 Phoenix AZ 85004 | CONTACT NAME PHONE (A/C, No, Ext) 602-277-6672 E-MAIL ADDRESS | FAX (A/C, No) |
| | INSURER(S) AFFORDING COVERAGE | |
| INSURED Performance Modular, Inc. 9090 Union Park Way Ste #104 Elk Grove CA 95624 | INSURER A Colony Insurance Company | |
| | INSURER B Travelers Prop Cas Co of Am 25674 | |
| | INSURER C | |
| | INSURER D | |
| | INSURER E | |
| | INSURER F | |


COVERAGES **CERTIFICATE NUMBER:** 1215478655 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADD'L SUBR INSR YWD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|--|---------------|-------------------------|-------------------------|---|
| A | GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | GL952136 | 1/1/2011 | 1/1/2012 | EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$Excluded PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPIOP AGG \$2,000,000 \$ |
| B | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | BA4035PE85 | 2/25/2010 | 2/29/2011 | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| A | UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$ | | XS162031 | 1/1/2011 | 1/1/2012 | EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) if yes, describe under DESCRIPTION OF OPERATIONS below | <input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> A | | | | WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$ |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Insured(s), Primary/Non-Contributory and Waiver of Subrogation apply with respects to General Liability per attached forms U156P 0310 & U047 0310
 Regarding various locations

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| CERTIFICATE HOLDER County of Humboldt Department of Social Services 929 Koster St. Eureka CA 95501 | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  |
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